



# INTERNATIONAL EGG AND POULTRY REVIEW

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U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

## Russia Proposes Quotas

On December 30, 2002 Russian officials proposed new import quotas on poultry, pork and beef. The quotas will become effective three months after approval by Prime Minister Mikhail Kasyanov, according to news reports.

### Proposed Quotas in million metric tons

	Annual Quota	Import Duty Within Quota	*Min €/kg	Import Duty Over Quota	*Min €/kg
Pork	.451	5%.	25	80%	1.06
Beef	.421	5%.	15	60%	.6
Poultry	1.05	25%			

No poultry imports exceeding quota allowed.

\*Minimum Import Duties are in euros per kilogram

Limiting imports is only allowed under the law if antidumping investigations reveal that foreign shipments do damage to local producers, according to the head of the Department on Tariff Regulation at the Russian Economy and Development Ministry. In 2002 an investigation showed that poultry imports in 2001 totaled 1.34 million tons and for the first 10 months of 2002 poultry imports totaled 1.1 million tons. The market capacity is 1.9-2.2 million tons, thus the recommendation to limit imports to 1 million tons, starting the second quarter of 2003.

Russia imports about 60 percent of its poultry consumption, mostly from the U.S.

### U.S. Poultry Exports to Russia in '000 metric tons

	January-October		October	
	2001	2002	2001	2002
Broilers	854,454	610,742	96,741	88,991
Turkey	33,390	12,792	3,030	505
All Poultry	909,000	641,000	100,000	90,000

Source: USDA/FAS and various news sources

## Mexico Will Monitor Imports From NAFTA Countries

The Secretariat of Budget announced in the Diario Oficial (Federal Register) on December 30, 2002, the 2003 Fiscal Budget Law that will be in effect as of January 1, 2003. As expected, the law indicates that the Federal Government will monitor the flow of imports from the United States and Canada including the following products: poultry meat products, poultry for processing, chicken frames and poultry lard. The executive branch will provide a monthly report to the Congress concerning the status of imports for these products. If imports increase relative to previous years in a way that could be perceived as causing damage to the domestic industry, the executive will initiate immediately safeguard investigations according to the Foreign Trade Law. (Source: Diario Oficial 12/30/02)

Source: USDA/FAS

## Newcastle Disease in Southern California

The California Department of Food and Agriculture and the United States Department of Agriculture have received laboratory confirmation of Exotic Newcastle Disease in commercial egg-laying facilities. As of December 30, the regional quarantine zone includes the following counties: Los Angeles, San Bernardino, Orange, Riverside and San Diego.

Canada placed a ban on all poultry meat, poultry meat products, hatching eggs and live poultry from the State of California, including poultry and poultry products originating from birds raised, or processed, in the State of California. Mexico also imposed bans on imports of California poultry and eggs.

Japan has banned poultry and poultry products raised or processed in an area within a 50 km (31 mile) radius around the Newcastle quarantined areas.

In October, 2002 Taiwan banned fresh/frozen poultry and poultry products originating from flocks, slaughtered or processed in California for 12 months beginning Oct 3, 2002. In December China banned poultry and poultry products originating from California produced after November 29, 2002.

Sources: USDA/FAS, California Department of Food and Agriculture

## Czech Eggmen in Difficulties

Some 50 large Czech egg producers are facing bankruptcy with losses exceeding CKr 250 million, according to Frantisek Novak, chairman of the Czech Poultry Union (CMDU), reported in East Europe. Total egg production has averaged around 3000 million eggs in recent years but average annual consumption at some 300/person has declined recently as a result of changing eating habits and a growing demand for non-egg pasta and bakery products, states the report.

Source: The International Egg Commission

## Asean Free Trade Area

Southeast Asian nations and China have signed a framework agreement to establish a comprehensive free trade area by 2010, according to a report in the Financial Times. The deal signed by China and leaders of the 10 member Association of South East Asian Nations (Asean) aims at eliminating tariff and non-tariff barriers on both goods and services to create the world's largest free trade area of more than 1700 million people. The weakest Asean members - Vietnam, Cambodia, Laos and Burma will have until 2015 to comply.

Source: The International Egg Commission

**Inspected Egg Products-U.S. & Canada Export/Import Trade****U.S. Exports to Canada, in Pounds (Preliminary)**

Week Ending DECEMBER 21, 2002	2002		2001 /1		Year-To-Date	
Type	2002	2001 /1	2002	2001	2002	2001
Liquid	472	240	20,420	13,120		
Frozen	0	0	21	78		
Dried	80	38	912	464		
Total	552	278	21,353	13,662		

**U.S. Imports From Canada, in Pounds (Preliminary)**

Week Ending DECEMBER 21, 2002	2002		2001 /1		Year-To-Date	
(000)	2002	2001 /1	2002	2001	(000)	2001
Liquid	14	97	6,012	5,941		
Frozen	67	49	3,399	1,806		
Dried	86	0	5,135	628		
Total	167	146	14,546	8,375		

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending DECEMBER 21, 2002	2002		2001 /1		Year-To-Date	
	2002	2001 /1	2002	2001		
Jumbo	50	0	1,672	87		
Extra Large	3,076	3,231	56,335	74,754		
Large	5,081	14,928	150,593	154,931		
Medium	1,228	1,750	50,413	45,844		
Ungraded	5,970	5,250	373,975	452,140		
Misc	0	0	14,737	71,084		
Total	15,405	25,159	647,725	798,840		

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

**LIVE POULTRY SLTRD UNDER INSPECTION** W/E 21-Dec-02**\*\*Note that data is for week ending 12/21\*\*****(PRELIMINARY) U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,782	1,442	3,224
LAST WEEK	1,829	1,342	3,171
SAME WEEK YR AGO	1,942	1,419	3,361
TO-DATE/2002	88,473	72,137	160,610
TO-DATE/2001	90,978	70,660	161,638

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	341	11	352
LAST WEEK	168	0	168
SAME WEEK YR AGO	407	0	407
TO-DATE/2002	15,181	308	15,489
TO-DATE/2001	20,783	301	21,084

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

**TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	2,123	1,453	3,576
LAST WEEK	1,997	1,342	3,339
SAME WEEK YR AGO	2,349	1,419	3,768
TO-DATE/2002	103,654	72,445	176,099
TO-DATE/2001	111,761	70,961	182,722

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN** F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

03-JAN-2003

**CHICKEN**

PRICES VOLUME  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

PRICES VOLUME  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	13.00-16.00	187,200	-
WTD AVERAGE		14.33		
15-20%				
RANGE	10.00-13.00	10.00-12.00	979,200	244,800
WTD AVERAGE	10.75	10.94		
20% OR MORE				
RANGE	-	10.00-11.00	20,400	-
WTD AVERAGE		10.50		

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN** F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

03-JAN-2003

**CHICKEN**

PRICES VOLUME  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

PRICES VOLUME  
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	14.25-16.00	13.00-15.00	1,008,900	476,000
WTD AVERAGE	15.24	13.76		
15-20%				
RANGE	12.00-13.75	10.50-14.50	1,673,580	252,000
WTD AVERAGE	13.40	12.12		
20% OR MORE				
RANGE	-	11.00	160,000	-
WTD AVERAGE		11.00		

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 3 JANUARY 2003.**

The undertone on tom 2-joint wings started showing some strength as some sellers started to note increased export inquiry for prompt and January shipments, even though some buyers attempt to bid lower. The undertone on tom necks and tom drums was steady to instances weak with offerings uneven, varying by processor. The undertone on tom full-cut wings was steady to barely steady for the adequate to fully adequate offerings. Domestic bulk parts demand was light, increased interest was noted for export. White meat demand was light, however, increased activity was noted on frozen destrapped tenderloins with -6 months age at lower trending price levels. Some premiums were noted on fresh thigh meat for prompt shipments. Domestic trading centered on fair volumes of frozen destrapped tenderloins and Grade A 4-8 lb. breasts, balance light. Export trading was fair tom 2-joint wings, balance light. Frozen breeder thigh meat 53, Grade A non-basted 8-10 lb. breasts 95 cents delivered domestic. For export: mature hen drums 15, tom defatted machine cut gizzards 43.50, tom hand defatted gizzards 61-62 cents delivered.

**FRIDAY, JANUARY 03, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	16.00-20.00		17.97	264	18.57	448
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM	21.00-25.00		22.11	432	22.11	432
TAILS	17.00		17.00	80	18.00	160
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	54.00		54.00	120	57.08	520

**THURSDAY, JANUARY 02, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		T	19.00	104
WINGS FULL-CUT - TOMS		R	18.00	162
WINGS, V-TYPE, TOM				
TAILS		T	19.00	80
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		M	58.00	400

**WEDNESDAY, JANUARY 01, 2003**

**NO REPORTING DUE TO NEW YEAR'S DAY HOLIDAY**

**TUESDAY, DECEMBER 31, 2002****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	19.00		19.00	104
WINGS FULL-CUT - TOMS		R	18.00	162
WINGS, V-TYPE, TOM		T	18.00	104
TAILS	19.00		19.00	80
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		M	58.00	400

**MONDAY, DECEMBER 30, 2002****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	20.00		20.00	80
WINGS FULL-CUT - TOMS		R	18.00	162
WINGS, V-TYPE, TOM		T	18.00	104
TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	58.00		58.00	400

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY 2/  
Product contains 15-20% fat with skin added.

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